
US-Iraq Partnership: From Defeating ISIS to Combating Gas Flaring and Climate Change

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Summary : The United States has been working for years to eliminate gas flaring in Iraq, with the US Ambassador to Iraq frequently highlighting the issue. US Secretary of State Anthony Blinken also emphasized the importance of reducing gas flaring during his discussions with Iraqi Foreign Minister

Iraqi Prime Minister Mohammed Shia Al-Sudani participated in the Summit for Democracy on March 29th, 2023, where he discussed the latest developments in Iraq and the country's future plans. During the second day of the summit, PM Sudani covered a range of topics related to democracy in Iraq, including conducting provincial elections and investing in the gas industry.

In his address, the Prime Minister emphasized Iraq's efforts to promote democracy and expand freedom of speech within the confines of the law. He also discussed preparations for the upcoming provincial elections, and commended his government's work in fighting corruption and improving public services to rebuild the trust of the Iraqi people in their political system.

"Our government has made rapid strides in developing the energy sector, and we have taken concrete steps to invest in associated gas," Sudani stated at the Summit for Democracy.

"This is critical to prevent the loss of this valuable resource for future generations, and most importantly, to reduce the burden of environmental pollution." [\[1\]](#)

Mohammad Shia Al-Sudani

Investment in Iraq's oil and gas industry has garnered the interest of several major corporations, including Total, Qatar Energy, and Baker Hughes. These companies aim to invest in associated gas, an objective shared by the United States.

Greening the Future: U.S. Takes Bold Steps to Reduce Gas Flaring in Iraq

The United States has been working for years to eliminate gas flaring in Iraq, with the US Ambassador to Iraq frequently highlighting the issue. US Secretary of State Anthony Blinken also emphasized the importance of reducing gas flaring during his discussions with Iraqi Foreign Minister Fuad Hussian [\[2\]](#), and later with PM Sudani at the Munich conference [\[3\]](#). At the Baghdad International Dialogue Conference, the US ambassador once again renewed the United States' commitment to ending the practice of burning associated gas in Iraq [\[4\]](#). American efforts in this regard are intensifying year after year, and the United States appears resolute in initiating the process as soon as possible.

Iraq is the world's second-largest burner of associated gas [\[5\]](#), despite having abundant gas reserves that should make it a gas exporter rather than an importer. For years, Iraq has been burning approximately 16 billion cubic meters of associated gas per day, free of charge, which amounts to 0.5% of the world's daily production. Iraq currently imports 20 million cubic feet of gas per day from Iran [\[6\]](#), one of its largest gas suppliers, at a price \$5 higher than Kuwait's. However, Iranian gas exports to Iraq and Turkey have declined due to increased domestic demand.

Iraq has made significant strides to augment its electricity production, with recent contracts being inked by General Electric Company and Siemens Company. The two companies will be erecting gas-fired power plants that will, in turn, increase Iraq's gas needs. Nonetheless, burning gas has undesirable financial repercussions and poses a significant threat to Iraq's environment. Iraq pledged to terminate greenhouse gas emissions by signing a World Bank agreement in 2017 [\[7\]](#). Since then, the United States and Western countries have been extensively working on this issue since the Haider al-Abadi government's reign. Agreements were eventually finalized under Kadhim's Cabinet, and Sudani's government proceeded to sign the agreements, despite some attempts to hinder them. Iraq's investment in this issue is indispensable and will have a considerable impact on Iraq's future. If the companies successfully eliminate or reduce greenhouse gas emissions, it would have an enormous positive impact on the environment and significantly diminish Iraq's reliance on Iranian gas and electricity in the near future.

Investors who are Fueling Iraq's Gas Sector Growth

Numerous international and national companies are investing in Iraq's gas sector, and taking advantage of the associated gas in Iraq. Shell, Mitsubishi, and Southern Gas Company are currently partnering in a field in Basra, and Baker Hughes is also keen to invest. Moreover, Al-Sudani discussed several projects with French President Emmanuel Macron, including a \$27 billion project involving the French company Total. The project had been stalled for several years, but it is expected to kick-off soon in collaboration with Qatar Energy, with a contract signed with Iraq. Meanwhile, Iraq is still negotiating with several Chinese companies. Iraq signed a five-year contract with Crescent Petroleum on February 2nd, 2023 to invest in oil and natural gas in the Diyala and Basra governorates. UAE Crescent Petroleum, in partnership with two Chinese companies, JEO JD and United Energy Group [8], will work on the projects.

Notwithstanding, continuing these investments will not be a walk in the park for the Iraqi Prime Minister. It is highly probable that he will visit Washington shortly and enter into several agreements concerning energy, climate change, fighting corruption and money laundering, water, and fighting ISIS. The successful launch of these projects and signing of pending contracts will not only be a turning point in the Iraqi economy but also in the global energy map. This will have a direct impact on Iraq's economic and political ties with Iran and Western countries, fortifying Iraq's relations with the Gulf and the West. Iraq is transitioning from being an importer of Iranian gas to a producer, while Europe and the region require it. Most importantly, as the Iraqi Prime Minister highlighted and the United States has iterated repeatedly, eliminating gas flaring will drastically reduce environmental pollution in Iraq.

[1] <https://www.youtube.com/watch?v=siZJtckWX3w>

[2] <https://iq.usembassy.gov/joint-statement-on-the-u-s-iraq-higher-coordinating-committee/>

[3] <https://www.state.gov/secretary-blinkens-meeting-with-iraqi-prime-minister-al-sudani/>

[4] <https://twitter.com/USAmbIraq/status/1637418488531697664>

[5] <https://epc.ae/en/details/featured/gas-flaring-in-iraq-structural-issues-geopolitical-players-and-policy-implications>

[6] <https://www.alarabiya.net/aswaq/oil-and-gas/2022/10/09/%D8%A7%D9%84%D8%B9%D8%B1%D8%A7%D9%82-%D9%8A%D8%B9%D9%84%D9%86-%D8%B9%D9%86-%D9%85%D9%81%D8%A7%D9%88%D8%B6%D8%A7%D8%AA-%D9%84%D8%B2%D9%8A%D8%A7%D8%AF%D8%A9-%D9%88%D8%A7%D8%B1%D8%A7%D8%AF%D8%A7%D8%AA-%D8%A7%D9%84%D8%BA%D8%A7%D8%B2-%D9%85%D9%86-%D8%A7%D9%8A%D8%B1%D8%A7%D9%86>

[7] <https://www.swissinfo.ch/ara/afp/%D8%A7>

[8] <https://www.agenzianova.com/en/news/iraq-lemiratina-crescent-petroleum-awarded-three-oil-and-gas-contracts/>

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